

# FAQs about ordering, suppliers, and shipping

*Please download this document and keep it to hand. These are all of the most common questions that students have about this part of the process*

Q. How many units should I purchase for my first order as a new seller?

A. You can purchase any quantity you like and there is no minimum. Amazon even allows you to send a single unit to FBA if you wish to! It's recommended that you work within your budget, whether that be 10 units, 50 units, 100 units. But it's also recommended that you stick to 100 units or less for your very first order

Q. I want to register on Alibaba but the registration page requires a company name. What do I do?

A. Enter your full name in the 'company name' field.

Q. Can I send my goods directly from Aliexpress to Amazon?

A. No. When you purchase from Aliexpress, what you see is what you get. Aliexpress sellers will not prep your goods for selling on Amazon

Q. Can I send my goods directly from Alibaba to Amazon.com?

A. Yes, if your supplier agrees to do this and if they are familiar with prepping and sending goods to FBA.

Q. Can I ship directly to Amazon.co.uk or another Amazon Europe marketplace from Alibaba?

A. There are VAT and customs fees associated with shipping into Europe/UK and Amazon will not accept goods with any kind of outstanding fees associated with

them. Since it is the recipient of the goods who is liable for these costs, when you send directly to Amazon in Europe, they would be presented with the charges when the goods get to the warehouse. Therefore the goods would be rejected.

**Some suppliers offer DDP (Direct Duty Paid)** which means the duties and VAT is paid in advance by the supplier. In this case, the supplier will include these costs in the shipping quote he gives you.

Q. Can I ship directly to Amazon Canada from Alibaba?

A. Same applies as with Europe (see the question above) because Canada imposes customs fees at the border.

Q. Do I really need to use Assessed suppliers on Alibaba. Does it really matter?

A. It does matter because Assessed suppliers are more serious about their business. They are more likely to provide good quality products because they have long term goals to build up profitable relationships with buyers.

Q. What is the most secure way of paying a supplier on Alibaba?

A. Via Alibaba's Trade Assurance. On the supplier's listing page you will usually be able to see which payment methods they accept via Trade Assurance – such as credit/debit card, TT (bank wire) etc. Some supplier's also accept PayPal, which though not covered by Trade Assurance, has its own buyer protection.

**Note:** Some suppliers don't like using PayPal because of the transaction fees at their end (around 4%). You can also always offer to pay the fees if you really want to use PayPal.

Q. I've contacted several suppliers on Alibaba but I'm not getting very many replies. What am I doing wrong?

A. First check the supplier's response rate (which you can see on the supplier's listing page). Some suppliers are much better at responding than others.

Second remember that supplier's do not work weekends. Third, be sure to keep your messages professional. Fourth, try more suppliers!

Q. I found a supplier on Alibaba for the product I want to sell, but he can't provide me with the MOQ that I want. His MOQ's are higher than I want to buy. What should I do?

A. Find another supplier and if you can't find one who will give you the MOQ you want, choose a different product.

Q. I messaged a supplier on Alibaba for a price and he gave me a price that was higher than the one shown on his listing. Why is that?

A. The price shown on the supplier's listing is often the price you would pay for a higher MOQ than the one stated in your message. This is the reason why we always ask for the price.

Q. Can I negotiate price with an Alibaba supplier?

A. Yes you can. However, note that suppliers work on quite small margins and the rep who is dealing with you is being paid on a commission basis (usually). Therefore it's not always possible to negotiate a lower price, but you can certainly try!

Q. I asked an Alibaba supplier for a sample and he gave me a price of \$50 to ship it to me. Why so high?

A. Suppliers work with shipping agents and these agents will have a minimum job cost. This is why the cost to ship a single unit is high. It doesn't in any way reflect the cost of shipping an actual order.

Q. Do I really need to get a sample?

A. It's a good idea to get one. Alternatively you could try to find the same product on Aliexpress and order one from there (using the low cost shipping available)

Q. Will my supplier affix the FNSKU labels for me and if so, how do I get the labels to the supplier?

A. They might. You need to ask them. If they agree to do it, you can download the labels from seller central and send the file to the supplier.

Q. My supplier has given me a quote for shipping my order, but I'm not sure if it's a fair quote or not. How do I find out?

A. You can check by going to the DHL online rates calculator. To find the right link, type 'dhl rates calculator' into Google. You will need the weight and dimensions of the shipping cartons.

Q. What shipping method should I be using – air express, air freight or sea freight?

A. Air express via FEDEX/DHL/UPS. The other two methods require the assistance of a freight forwarder.

Q. Do I need a freight forwarder?

A. Not for air express, but for the air freight or sea freight, yes you do. Nowadays, many suppliers have access to their own freight forwarders.

Q. Why is air express recommended?

A. Unless you are placing large orders, the other methods may work out more expensive because you will need to pay fees for a freight forwarder. The other methods are also slower. Sea freight can take up to 60 days. Air express only takes around 7 days.

Q. I've seen these terms – EXW, FOB etc. What do they all mean and which one should my supplier be using for my shipping?

FOB is 'free on board' and EXW is 'ex works'. EXW generally means that you will have an additional transport cost to pay over and above the shipping quote given to you by the supplier. However, sometimes the supplier has already included the additional transport cost in the quote.

In practice, these terms don't really mean much because suppliers usually understand that you want a door-to-door quote, regardless.

The main thing to remember is that your shipping quote should be **door to door**. If you are not certain, ask the supplier.

Q. What about import duties

A. For shipping into the US, as long as you use air express and you keep your order value (including shipping) to below \$800, you should not have anything to pay over and above the shipping cost.

However, there are certain products that now have tariffs on them. In these cases your supplier will probably want to ship DDP (Direct Duty Paid), which means that all tariffs and fees are paid ahead of time.

For shipments of over \$800, you will need DDP.

For shipping into Europe/the UK, you will have VAT and customs fees to pay. VAT is payable on anything over approximately €20 and customs fees are payable on anything over approximately €140.

Normally you will pay these fees upon delivery of the goods. However, if you want to ship directly to Amazon, the fees need to be paid ahead of time. In this case you would need to ask your supplier if he can ship DDP.

Q. If I want to sell in the UK or Europe, how do I avoid the import costs?

A. Consider using suppliers from within Europe. That way you will not have any import costs to deal with

Q. What about domestic shipping. How do I find the cheapest shipping rates?

A. You can use Amazon's own partnered carrier service, which a discounted service. When setting up your incoming shipment in seller central, select the

option (towards the end of the process) for using Amazon's partnered carrier. For this type of shipping, you pay AMAZON and you also download the pre-paid shipping label from your seller account.

Q. My supplier is sending my goods directly to Amazon and wants a 'ship to' address so that he can give me a shipping quote. How can I give him one because I have not yet set up my incoming shipment and therefore do not have the FBA warehouse address?

A. You will need to use a temporary 'ship to' address in order to get the quote. Just go to Google and type in 'amazon fba warehouse address US', or 'amazon fba warehouse address UK' or whichever country it is that you are shipping to.

Then, give the supplier one of those addresses. Later, when you set up your incoming shipment you will get the real address and give it to the supplier. He will need to get you a new quote but it will virtually be the same as the original one.

Q. Do I really need an EIN number?

A. Yes probably. But why even ask when it's so simple to get one and doesn't cost a cent! **See the lecture 'Get an EIN Number or an EORI Number'** in the 'Important Lessons' section of this course.